

7-3-32 Meetings of board of directors -- Reports -- Records -- Loans to officers, directors and principal shareholders.

- (1) In this section "principal shareholder" means any officer, director, or person who directly or indirectly owns, controls, or has the power to vote more than 10% of any class of voting securities of the bank.
- (2) The board of directors of every bank shall hold at least one regular meeting every three months. The board shall designate an officer or officers of the bank to prepare and submit reports to the board at every regular quarterly meeting in such detail as the board may direct. Such reports shall include pertinent information on the loans and investments, the transactions with affiliates, and the lines of credit and acquisitions of real estate made during the preceding quarter or since the last report. It shall also include information on delinquent loans, other possible losses, and such other information as the regulations of the department may require.
- (3) At regular intervals at least twice each year, a report shall be made to the board of:
 - (a) the aggregate amount of all extensions of credit by the bank to its officers, directors, and principal shareholders and their related interests; and
 - (b) all extensions of credit from a correspondent bank of the bank to an executive officer or principal shareholder of the bank, since the last preceding report. The board of directors shall make the reports part of the record of the meeting, and the record shall show its action.

Amended by Chapter 177, 1990 General Session